

TAX CREDIT ANALYSIS

Program Name: Job Retention Training Program					
Department: Economic Development		Contact Name & No.: Amy Sublett, 526-8271			Date: October, 2011
Program Category: Education and Training			Type: appropriation based on employer withholdings		
Statutory Authority: 178.760 - 178.764 RSMo.			Applicable Taxes: N/A - is an appropriation of funds, not a tax credit		
Program Description and Eligibility Requirements: Provides training assistance for job retention efforts. Companies making a large capital investment and/or at risk of leaving the state may be eligible. This program is best-suited for large retention and training projects. The company must make a minimum capital investment of \$1 million and the retained jobs must have been in existence for the previous 2 calendar years. The company must also be making substantial capital investment, located in a border county, or be determined to represent a substantial risk of relocation.					
Explanation of How Award is Computed: Entitlement _____ Discretionary <u>X</u> _____ A formula using the number of jobs to be retained and the average annual salary of workers in retained jobs calculates the amount that can be generated generally by the sale of certificates. Discretionary measures such as review of types of industry, occupations, and wage rates are considered before approving a project.					
Program Cap: Cumulative \$ <u>45</u> million (remainder of cumulative cap) \$38,883,273 Annual \$ _____ None _____ Explanation of cap: There is a statewide cap of \$45 million on the amount of outstanding debt there can be at any given time. This figure changes monthly as debt is retired on existing projects and new projects are issued.					
Explanation of Expiration of Authority: Program sunsets July 1, 2014					
Specific Provisions: (if applicable) Carry forward _____ years Carry Back _____ years Refundable _____ Sellable/Assignable _____ Additional Federal Deductions Available _____					
Comments on Specific Provisions:					
	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 (current)	FY 2013 (budget year)
Certificates Issued (#)	4	2	0	6	5
Projects (#)	4	2	0	6	5
Amount Authorized	\$16,471,826	\$3,200,588	\$0	\$6,000,000	\$4,800,000
Amount Issued	\$16,471,826	\$3,200,588	\$0	\$6,000,000	\$4,800,000
Amount Redeemed	\$9,992,850	\$8,145,996	\$5,758,163	\$9,500,000	\$9,800,000
EST. Amount Outstanding	N/A	N/A	N/A	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	N/A	N/A	N/A

HISTORICAL AND PROJECTED INFORMATION						
<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"> \$18,000,000 \$16,000,000 \$14,000,000 \$12,000,000 \$10,000,000 \$8,000,000 \$6,000,000 \$4,000,000 \$2,000,000 \$0 </div> </div>	Amount Authorized \$16,471,826 \$3,200,588 \$0	Amount Issued \$16,471,826 \$3,200,588 \$0	Amount Redeemed \$9,992,850 \$8,145,996 \$5,758,163	\$6,000,000 \$4,800,000	\$9,500,000 \$9,800,000	<div style="border: 1px solid black; padding: 5px;"> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 10px; height: 10px; background-color: darkred; margin-bottom: 5px;"></div> <div>FY 2009</div> <div style="width: 10px; height: 10px; background: repeating-linear-gradient(45deg, transparent, transparent 2px, black 2px, black 4px); margin-bottom: 5px;"></div> <div>FY 2010</div> <div style="width: 10px; height: 10px; background: repeating-linear-gradient(-45deg, transparent, transparent 2px, black 2px, black 4px); margin-bottom: 5px;"></div> <div>FY 2011</div> <div style="width: 10px; height: 10px; background: radial-gradient(circle, black 1px, transparent 1px); background-size: 4px 4px; margin-bottom: 5px;"></div> <div>FY 2012</div> <div style="width: 10px; height: 10px; background: repeating-linear-gradient(0deg, transparent, transparent 2px, black 2px, black 4px); margin-bottom: 5px;"></div> <div>FY 2013</div> </div> </div>

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Comments on Historical and Projected Information:

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2011 ACTUAL	Other Fiscal Period (5 years)
BENEFITS		
Direct Fiscal Benefits		
Indirect Fiscal Benefits		
Total	\$0	\$0
COSTS		
Direct Fiscal Costs		
Indirect Fiscal Costs		
Total	\$0	\$0
BENEFIT: COST	#DIV/0!	#DIV/0!

Derivation of Benefits

Investment:

Employment:

Other Assumptions:

Incentives/Credits:

Note: There were no new JRTP projects issued in FY'11 although there are 8 currently active projects. Based on data from FY'10, the direct and indirect fiscal benefit to the state over 5 years generated by retraining 1780 jobs is \$46,203,031

Other Benefits:

In FY 11, every dollar of authorized program tax credits returns:

\$ in new personal income totaling \$ million

\$ in new value-added/GSP totaling \$ million

\$ in new economic output totaling \$ million.

Over 5 years, every dollar of authorized program tax credits returns:

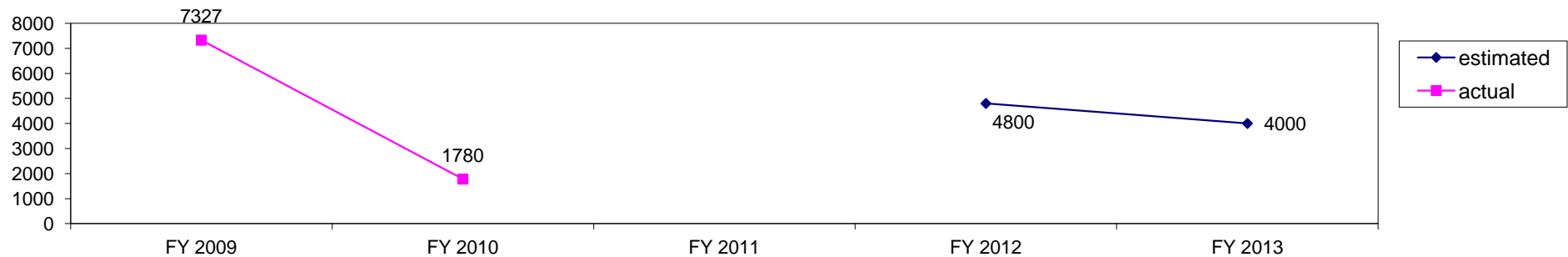
\$ in new personal income totaling \$ million

\$ in new value added/GSP totaling \$ million

\$ in new economic output totaling \$ million

PERFORMANCE MEASURE(S)

Permanent Jobs Retained



Comments on Performance Measure:

TAX CREDIT ANALYSIS

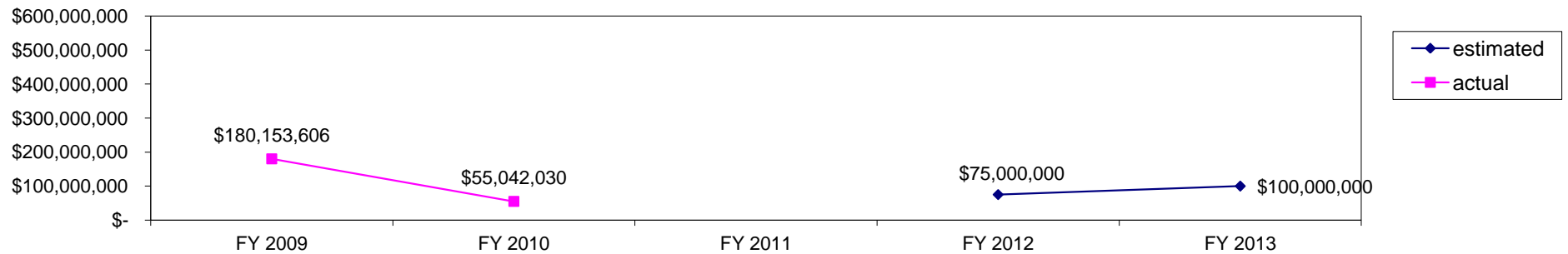
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Average Wage



Comments on Performance Measure:

Capital Investment



Comments on Performance Measure: